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2157 RAYBURN HOUSE OFFICE BUILDING

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MAJORITY (202) 225-5074
FACSIMILE (202) 225-3974
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October 7, 2005

The Honorable Michael O. Leavitt
Secretary
Department of Health and Human Services
Hubert H. Humphrey Building
200 Independence Avenue, SW
Washington, DC 20201

Dear Mr. Secretary:

I am writing to seek clarification of a confusing and misleading press release from the Department of Health and Human Services (HHS) listing actions taken in response to Hurricane Katrina.

In a press release from the Department of Health and Human Services (HHS) dated September 29, 2005, you are quoted as saying that "we estimate that more than 40 percent of hurricane evacuees who have been displaced from their homes are getting help from HHS."¹ The release also says that "20 percent of all those affected by the storms and who have filed for FEMA assistance are now receiving HHS benefits and services." In the release, you identify a series of grants that have been supplied to the affected states for services ranging from Head Start to new community health centers to emergency energy assistance. The value of the itemized grants is \$18.65 million for health and child services programs and \$27.25 million for energy assistance.

While some of this may initially appear to be good news — and the Department describes its own efforts as "unprecedented" — closer examination raises fundamental questions about exactly what HHS is attempting to take credit for and suggests that the Department's claims are highly misleading. For instance:

- The release lists Medicaid as one of the sources of "help from HHS." If you did include Medicaid in your calculation, the HHS figures are dismaying: 21% of the

¹ HHS, News Release: *Estimates Show More Than 40 Percent of Hurricane Evacuees Now Receiving HHS Benefits or Services* (available at <http://www.hhs.gov/news/press/2005pres/20050929a.html>).

population of Louisiana,² 21% of the population of Mississippi,³ and 15% of the population of Alabama⁴ were enrolled for comprehensive health insurance through Medicaid before the hurricane. It would appear to be a decrease — not an increase — in federal assistance if just 20% of those from the affected area who have filed for FEMA assistance are now receiving any sort of benefits (be it a vaccine, a counseling session, or full Medicaid).

- If the total amount of grants expended is the level described in the release, then the per capita expenditure for health and child services is only \$1.60⁵ and for energy assistance is only \$2.34.⁶
- If the total amount of grants for establishing 26 new health center sites is the level described in the release, the per-site expenditure is only \$88,000, while the President's budget indicates that the cost for a new site is \$2.2 million.⁷

Even more basically, the assertion that reaching only four out of ten of those people who have been evacuated and only two out of ten of those people who have filed for disaster assistance is success seems to be setting the overall bar very low. By choosing to focus on just evacuees and FEMA applicants, you have already drastically limited the measurement of

² Percentage derived from "Current Monthly Medicaid Enrollment, June 2004" and "Total Residents" contained in "Louisiana: At-a-Glance," found at Statehealthfacts.org.

³ Percentage derived from "Current Monthly Medicaid Enrollment, June 2004" and "Total Residents" contained in "Mississippi: At-a-Glance," found at Statehealthfacts.org.

⁴ Percentage derived from "Current Monthly Medicaid Enrollment, June 2004" and "Total Residents" contained in "Alabama: At-a-Glance," found at Statehealthfacts.org.

⁵ Percentage derived from "Total Residents" contained in "Louisiana: At-a-Glance," "Mississippi: At-a-Glance," and "Alabama: At-a-Glance," found at Statehealthfacts.org. Note: Texas residents were not included in this estimate, even though the release says that some unspecified portion of the \$600,000 in mental health grants was made to Texas; consequently this estimate overstates the per-capita spending in Louisiana, Mississippi, and Alabama.

⁶ Percentage derived from "Total Residents" contained in "Louisiana: At-a-Glance," "Mississippi: At-a-Glance," and "Alabama: At-a-Glance," found at Statehealthfacts.org. Note: Florida residents were not included in this estimate, even though the release says that some unspecified portion of the \$25.25 million in emergency energy assistance was made to Florida; consequently this estimate overstates the per-capita spending in Louisiana, Mississippi, and Alabama.

⁷ Estimate derived from comparison of FY 2003 and FY 2004 budgets for the President's Health Centers Initiative, Bureau of Primary Health Care, Health Resources and Services Administration, at <http://bphc.hrsa.gov/chc/pi.htm>.

accomplishment, sidestepping all of those who were not evacuated and who have not yet applied to FEMA. To be able to reach such a low number of even those people who are, by definition, highly in need is disappointing.

To provide genuine assistance to the Congress as it attempts to respond to the aftermath of the hurricane, I would ask that you supply background information about these estimates and, in each case, how they were derived. In particular, please answer the following questions:

1. How many hurricane evacuees do you estimate have been displaced from their homes? Please provide breakdowns by home state.
2. How many people do you estimate have been affected by the storms? Please provide breakdowns by home state.
3. How many people do you estimate have filed for FEMA assistance? Please provide breakdowns by home state.
4. What proportion of the people affected by the storms do you estimate have filed for FEMA assistance? Please provide breakdowns by home state.
5. What is the income level of the persons who have filed for FEMA assistance? Is it possible to determine whether they are more likely or less likely to be poor than those persons who have not filed for FEMA assistance?
6. What is the total dollar amount of assistance provided by HHS since the storms to Louisiana, Mississippi, and Alabama (individually)? To what purposes has this assistance been designated by HHS?
7. How many Katrina survivors have enrolled in their home states' Medicaid programs since the storms? What is the estimated additional expense of services for these new beneficiaries? Please provide state-by-state estimates.
8. How many Katrina survivors have been rejected for their home states' Medicaid programs since the storms? Please provide state-by-state estimates.
9. How many displaced Katrina survivors have enrolled in host states' Medicaid programs through waivers granted by HHS since the storms? Please provide state-by-state estimates.
10. How many displaced Katrina survivors have been rejected for enrollment in host states' Medicaid programs since the storms? Please provide state-by-state estimates.

and a breakdown of the bases for the rejections. In particular, how many have been rejected for failure to meet "categorical" requirements?

11. How much have host states been paid through Medicaid "to make them whole for their generosity" to displaced Katrina survivors?
12. What is the funding level for the uncompensated care pools for evacuees who do not currently have health insurance and are ineligible for Medicaid or SCHIP? What is the estimated need for funding for these evacuees? Please provide a state-by-state breakdown of the payments that have been made from such pools, if any.
13. How many people can be served through the \$600,000 in support for mental health assessment and crisis counseling? What is the estimated number of people in need of such services?
14. Please detail the deployment and use of the Strategic National Stockpile, by day, in response to Hurricane Katrina.
15. For each mobile hospital established by an HHS team, please estimate how many patients have been cared for.
16. Please detail the number of physicians credentialed through the new volunteer hotline and website to provide assistance after Hurricane Katrina by date.
17. How many children displaced by Hurricane Katrina have been provided with free vaccines since the storms?

Inasmuch as the Congress is currently considering measures to provide assistance to the survivors of the storms, I would ask that you provide this information as soon as possible, but no later than October 15. If you have any questions regarding this request, please do not hesitate to contact Robin Appleberry or Josh Sharfstein of the Government Reform Committee staff.

Sincerely,



Henry A. Waxman
Ranking Minority Member